

Employee Advisory Committee Meeting Minutes

May 17, 2016

Curtis State Office Bldg., Room 530

FINAL

Attending: David Bollig, Cheryl Buxton, Patty Delmott, Elizabeth Fultz, Kris Grinter, Kris Holm, Linda Kelly, Marjorie Knoll, Justin Powell, Kristy Rizek, Tyler Smith, Steve Stankiewicz, Susan Warriner and Lauren Wolf.

By Phone: Alexandra Blasi

Absent: Brant Barber, Barbara Barto, David Boyle, Karen Gutzwiller, Denise Phillips, Jan Sides

Approval of March 22, 2016 Meeting Minutes

No changes submitted. Motion to approve by Susan Warriner; second by Linda Kelly. Minutes approved as written.

Plan Year 2017 Projections

Report on HCC Meeting by EAC:

- No action. Seemed to lean toward plan presented by staff as opposed to EAC.
- Interest in changing HSA contribution to Plan C so it is received only after credits are earned by employee and spouse.
- HCC was presented with updated draft HealthQuest Rewards program; attempting to get spousal buy-in.

Report on HCC Meeting by Staff:

- Drive more engagement to the Castlight tool (or similar program) to increase health plan savings by awarding HealthQuest credits for utilizing program.
 - No penalty for not using the program or following the program's recommendation.
 - May also be applied to HSA contribution based on cost-share services, and savings would be credited to employee's HSA.
 - EAC expressed concerns about whether Castlight app actually shows cost savings if its preventative maintenance with no cost to employee
- Program year is being aligned with plan year
- Attempt to drive spouse members to complete preventative care and participate in HealthQuest rewards program. Only 157 spouses completed HealthQuest in 2015.

Wellness Program Changes

A&M recommendation is to decrease HSA contribution by \$1,000. Staff solution for Plan C is to allow members to earn that money back if they participate in wellness program activities: health assessment, tobacco test, weight-loss program, Castlight, etc. Staff solution for Plan A is to allow members to earn more premium discount back (\$20/pay period).

- More data will be verified by claims department.
- Certain points are only available on a one-time basis (i.e., register for Castlight).
- EAC expressed concerns about not getting \$\$ credited if outside of standard ranges and not getting an opportunity to correct within program year.
- \$\$ earned will be available on the next pay period
- Earnings will be based on employee and spouse engagement
- Starts 1/1/2017
- EAC recommends 40 credits instead of 45.
- EAC considered increasing costs for spouse members as an alternative. Spouses may elect for alternate coverage if costs go up. The option of earning back only penalizes spouses who don't elect to participate, as opposed to the entire group.

General Recommendation of EAC:

- Plan C – can earn HSA \$\$ back by participating in activities, but do not have to complete the 45 credits for premium discount
- Plans A and C – can participate in wellness program to earn 45 points for premium discount

Plan Design Changes:

Recommendation of EAC: *(changes from March 2016 EAC meeting highlighted)*

- Plan Design Changes
 - Plan A: Increase office visit copay by \$5 - \$815,000
 - Plan A: Increase OOP max by \$1,000/\$2,000 - \$3,312,000
 - Plan A: \$1,000/\$2,000/\$3,000 Deductible - \$14,896,000
 - Rx 20%/40%/65%/\$100 - \$1,929,000
 - Plan C: Add 10% coinsurance and \$5,000/\$10,000 OOP max - \$15,027,000
- Contribution Changes
 - Close Retiree Gap in 2 years - \$5,270,000
 - Close Spouse Gap in 3 years - \$7,087,000

- NSE Employer Contribution increase 7% - \$2,351,000
- Employer Contribution increase 7% - \$9,400,000
- Plan A and C employee contribution increase 9% - \$8,365,662
- Employee Dental Contribution increase 3% - \$271,000

Timing of HSA Contributions

HSA contribution was originally 100% in January, then split to semi-annually (Jan/July). Consider moving to quarterly contributions with new program design. This would save money for departing employees but also will allow changes for additional or removed members.

The next HCC meeting is scheduled for June 6, 2016 – KPERS Board Room, 611 S. Kansas Ave., Topeka, at 1:30 pm.